COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENERGY CORP. FOR A)
REDUCTION IN REVENUE AND ADJUSTMENT OF) CASE NO.
EXISTING RATES) 2004-00446

ORDER

Kenergy Corp. ("Kenergy") has applied to the Commission for authority to adjust its revenues and existing rates. In its filing, Kenergy requests permission to deviate from the requirements of Administrative Regulation 807 KAR 5:001, Section 10(6)(n). Kenergy states that it has not had a depreciation study performed. It further states in its response to Item 39 of the Commission Staff's First Data Request that the depreciation rates used in this application are the same rates that were used in its 2003 general rate case.

Administrative Regulation 807 KAR 5:001, Section 14, provides the Commission with the authority to permit deviations from its regulations for good cause shown. Having reviewed the filing and being otherwise sufficiently advised, the Commission finds that the requested deviation is reasonable and should be granted.

IT IS THEREFORE ORDERED that Kenergy's request for permission to deviate from the filing requirements of Administrative Regulation 807 KAR 5:001, Section 10(6)(n), is granted.

Done at Frankfort, Kentucky, this 12th day of January, 2005.

By the Commission

ATTEST:

Executive Director